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C O N F I D E N T I A L SECTION 01 OF 03 BANGKOK 001729

SIPDIS

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TAGS: [PGOV](#) [PREL](#) [KDEM](#) [TH](#)  
SUBJECT: LINGERING APPEAL OF THAKSIN IN THAILAND,S  
NORTHEAST CHALLENGES NEWIN CHIDCHOB IN HIS BURIRAM BACKYARD

REF: A. BANGKOK 1491  
[1](#)B. BANGKOK 1157

Classified By: Pol Counselor George Kent, reasons 1.4 (b) and (d).

[1](#)1. (SBU) Summary. A range of contacts from the local Buriram powerbase for Newin Chidchob in lower Isaan (northeastern Thailand) told us that Phumjai Thai, Newin's political party, held considerable advantages through control of ministries and the allegiance of local power brokers. While these advantages could help to expand the party's influence, the difficulty Phumjai Thai faced was that voters still remained dedicated to former Prime Minister Thaksin. Local Buddhist monks described an acute split between traditional Thai Buddhism and Santi Asoke, a breakaway sect that was closely connected to anti-Thaksin protests, and how the split was pushing monks to take a more active role in politics. A long-time local politician described in great detail Newin and his father's (House Speaker Chai Chidchob) suspect moves that had provided the family with the means to dominate politics in Buriram.

[1](#)2. (C) Comment: After a sudden rise prominence as a key power broker after his late 2008 defection from the primary Thaksin-affiliated party allowed the Democrats to form a government, Newin's prospects for further expansion of power appear to have leveled off, at least for now. A wide range of actors in Newin's home territory readily admitted that Phumjai Thai faced significant challenges in appealing to voters who were still drawn to Thaksin; it is likely that Newin will not be able to supplant Thaksin and Puea Thai as the leading party in Isaan. That said, Phumjai Thai is crucial to the continuing viability of the Democrat-led coalition, and this standing will continue to allow the Chidchob family the means to profit from control of key ministries. End Summary and Comment.

THE DIVIDED NORTHEAST  
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[1](#)3. (SBU) PolOff, EXBS Advisor, and Pol LES recently traveled to Buriram Province in northeastern (Isaan) Thailand to discuss with a wide range of contacts political sentiment and the prospects of the Phumjai Thai Party, informally led by banned politician Newin Chidchob. Phumjai Thai emerged from the political turmoil of 2008 as the swing party when, in December after the fall of the Somchai government and the dissolution of the People Power's Party as the result of a court decision related to electoral fraud, a group of MPs defected from the pro-Thaksin camp and joined with the Democrat Party to form a new government. As discussed in reftel A, this move resulted in Newin being regarded by some as a new "kingmaker" in politics. Phumjai Thai is currently the second largest member of the Democrat-led coalition with 32 seats in Parliament, to the Democrats' 173 (and Puea Thai's 188).

¶4. (SBU) In Buriram, we met with a wide-range of locals including a former politician from the Democrat Party, professors at Buriram Rajabhat University, monks from urban and rural temples, and community activists. Throughout the conversations, our interlocutors relayed accounts of Newin's strong influence with local communities and his dominance of politics in Buriram. They also described challenges to attempts by Newin's Phumjai Thai Party to expand quickly its influence beyond Buriram province.

#### NEWIN'S BIG HOUSE: A HOUSE DIVIDED?

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¶5. (SBU) Nirun Kultanan, from Buriram Rajabhat University, told us that locals in Buriram referred to Newin as the "big house" in reference to influence throughout society, his near absolute control over local politics, and his connection with villagers. Despite Newin's influence, Nirun said locals in Buriram still supported Thaksin and his populist policies and, as such, were confused by Newin's decision to split from Thaksin.

¶6. (SBU) A community activist told us that it was difficult to forecast how powerful Newin and Phumjai Thai would become. He predicted that in Buriram, the next national election would be quite competitive as "reds," supporters of Thaksin, would likely challenge the "blues," members of Newin's Phumjai Thai party.

¶7. (SBU) Local monks told us that a split had developed between those who supported the reds and those who gravitated

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to the influence of Newin. Many in Buriram were still drawn to the policies and personality of Thaksin and therefore did not agree with Phumjai Thai. Thaksin-era policies that had benefited Northeasterners were still remembered fondly, the monks said.

#### NEWIN'S PARTY CONTROLS THE MEANS TO INFLUENCE VOTERS

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¶8. (SBU) Karoon Sai-ngam, a former Democrat MP and Senator from Buriram, told us that Newin had a chance to expand his influence through Phumjai Thai's control of the Ministries of Interior, Agriculture, Commerce, and Transportation. These ministries most directly affected the lives of people throughout Thailand, and also provided partisan advantage through the control of substantial budgets and the appointment of key administrative officials.

¶9. (SBU) Despite Phumjai Thai's advantages, Karoon was skeptical of Newin's chances to quickly strengthen Phumjai Thai's position, as voters in the North and Northeast had empathy for Thaksin and were still drawn to the policies he had implemented while in office. As such, voters had been confused by Phumjai Thai's decision to switch its support from the main pro-Thaksin party to the Democrat Party. Voters therefore faced an awkward choice between voting for those who reflected what they considered to be the idealism of Thaksin or for continued benefits accrued through support for Newin's political machine, Karoon said.

¶10. (SBU) Despite confusion in voters' minds that had resulted from Newin's split from Thaksin, bureaucratic advantages would favor Phumjai Thai, Professor Paiwan Worapreeda of the Faculty of Humanities and Sociology told us. The advantages included control over government projects that would result in patronage for those in Buriram and other northeastern provinces. The projects included support agricultural prices and a "dust-free road" initiative that would pave rural roads. In addition, Newin's established network of vote canvassers would be an important asset in future elections, Paiwan said.

¶11. (SBU) The community activist pointed to Phumjai Thai's control over the Ministry of Interior as important for Newin and the party. Control of the Ministry allowed Phumjai Thai to appoint governors and local administrative officials, thereby directly influencing the lives of people throughout the nation.

#### NEWIN'S RISE TO POWER

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¶12. (SBU) Karoon described for us the path Newin and his father, Chai, took to their present position of power. Karoon told us the Chidchob family had originally not been in a position to become politically powerful. The Chidchob family, however, in the 1980's received large sums of money to join a military-affiliated political party in return for their support of General Prem Tinsulanonda as Prime Minister, Karoon said. Once in Prem's government, the Chidchobs were able to accrue financial resources by means of influencing bidding on a road project from Nakorn Ratchasima to Ubol Ratchasima in the Northeast.

¶13. (SBU) The Chidchobs later were actors in an early 1990's scheme that resulted in the bankruptcy of the Bangkok Bank of Commerce (BBC), Karoon told us. BBC had gone bankrupt largely because influential individuals and politicians received hugely inflated loans for the purchase of real estate. Karoon showed us documents for well over \$60 million in loans to purchase relatively small parcels of land in rural Isaan. After BBC went bankrupt, the Thai government was able to recover only 20 to 30 percent of the value of the loans. Karoon told us that the Chidchobs were very directly involved in these schemes, and the funds from the bad loans have gone far in financing continued influence for Newin.

¶14. (SBU) Karoon told us that Newin's influence was founded on his ability to provide help for locals whenever and wherever it was needed. For example, Newin was able to immediately provide money and other assistance to families who had lost a relative.

#### SPLIT IN MONKS SPARKS POLITICAL ACTIVISM

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¶15. (SBU) The monks we met with told us that Chamlong Srimuang's leadership of the yellow shirts' anti-government

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protests in 2008 and the Santi Asoke Buddhist sect's strong support for those protests had prompted mainstream monks from Isaan to take on a more vocal role in politics. On the whole, Buddhists in Thailand believed that the monkhood should refrain from political activism and that monks should remain neutral in politics, the monks told us. Santi Asoke and Chamlong, however, promoted an activist role, one that in 2006 was directed against Thaksin. This contradicted the traditional views and had exacerbated historical friction within Thai Buddhism over the Santi Asoke sect. One monk summed up his thoughts by declaring that the Santi Asoke sect was not Buddhist. Now many monks in the Northeast had chosen to express their views on politics more openly.

¶16. (SBU) Several of the monks raised making Buddhism the national religion in the Constitution as an important issue for rural northeasterners. With violence in southern Thailand often portrayed as Muslims against Buddhists, many in the Northeast had been energized by the former Thai Rak Thai party's support for this cause. Ethnic Malay-Muslim attacks on monks in southern Thailand had strengthened these sentiments.

#### SUPPORT FOR POLITICAL AMNESTY AND CALLS FOR UNITY

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¶17. (SBU) Both the monks and the professors in Buriram spoke strongly in favor of amnesty for politicians, primarily those

who had supported Thaksin but had been collectively banned in 2008 by the Constitutional Court for wrongdoing by members of their political party (ref B). Several of the monks told us that people in Buriram perceived Thai courts to be unjust in the application of the law. Locals assessed that Thaksin's offenses were minimal, but the punishment handed out by the Court had exceeded the crime.

JOHN